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P BK 93 PG 231

LEASE AGREEMENT

BK 93 PG 231
W.E. DAVIS CH. CLK.

Mark R. Loyd, hereinafter called Lessor, and Meramec Specialty Company, or assigns, hereinafter called Lessee, hereby enter into an agreement as follows:

1. For the consideration set out, Lessor does hereby lease a parcel of property and access to same to Lessee for use as a wholesale and/or retail fireworks outlet located and described as follows:

A lot located at the southeast corner of the Southwest Access Rd. & Interstate Blvd. intersection in Horn Lake, MS.

Lessee shall have the sole and exclusive right to sell and/or advertise fireworks on the leased site. All property within one mile of the above described site which may be owned, leased and/or controlled now or hereafter by Lessor or any parties hereto during the life of this lease may not be used for the sale and/or advertising of fireworks by any party other than Lessee.

2. Occupancy periods shall be from June 10 through July 10 and December 10 through January 10 of each year hereunder. Lessee shall have the right to erect, construct and use temporary buildings, tents, lights, signs, etc. which it considers necessary for the successful operation of the retail fireworks outlet. All such buildings, signs, etc. shall be paid for by Lessee and shall be the property of Lessee but may remain on the leased premises between occupancy periods during the life of this lease.
3. It is agreed that only legal merchandise shall be sold in accordance with Mississippi State and Local regulatory fireworks laws.
4. Lessee agrees to keep the leased premises occupied by it in a clean and orderly condition free of all debris attributable to the fireworks operation and to maintain all signs and buildings used in selling fireworks in a presentable manner.
5. This lease agreement shall be in full force and effect from this date through July 10, 2026, the end of the lease term, unless terminated as herein provided.
6. Lessor hereby acknowledges receipt of \$1,000.00 for making this agreement valid through July 10, 2002. For the rights herein conveyed Lessee agrees to pay Lessor the sum of \$1,000.00 annually which will be due on or before September 1 of each year through July 10, 2026, the end of the lease term.
7. Lessee shall have the right to terminate this agreement at any time by giving Lessor 30 days written notice by certified mail of its intention to terminate. In the event of such termination all rent paid shall be retained by Lessor and Lessee agrees to remove all of its property from the leased premises during said 30 day notification period.
8. In the event Lessee fails to open and operate a retail outlet, Lessor shall retain all rent paid.
9. Lessee agrees to obtain bodily injury liability and property damage liability insurance coverage to protect Lessor on Lessee's use of the property at Lessee's cost. Lessee agrees to obtain insurance with combined limits of not less than \$500,000.00, each occurrence. A certificate or other proof of insurance shall be provided to Lessor each season hereunder before opening the fireworks outlet for business.
10. Should Lessee fail to make any payment when due, or fail to perform any other covenant, Lessor may, on fifteen days notice by certified mail, providing an opportunity to cure the deficiency, declare this lease terminated. In the event that such termination occurs, Lessor may lease the premises to others for the sale and/or advertising of fireworks.

This agreement shall run with the land and bind and inure to the benefit of the parties, their heirs, successors and assigns.

MARK R. LOYD

(LESSOR)

BY: Mark R. Loyd

DATE: 12/20, 2001

MERAMEC SPECIALTY COMPANY

(LESSEE)

BY: [Signature]

DATE: 12/20, 2001

NOTARY ATTACHED

STATE OF ARKANSAS

COUNTY OF CRITTENDEN

I, the undersigned authority, in and for said County and State, hereby certify that MARK R. LOYD is signed to the foregoing lease, and who is known to me, acknowledged before me on this day that, being informed of the contents of this lease, executed the same voluntarily on the day the same bears date.

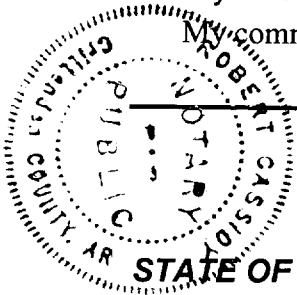
GIVEN under my hand and seal this 20 day of DECEMBER, 2001.

Notary Public

Robert Cassidy

My commission Expires:

12-1-2009



STATE OF ARKANSAS

COUNTY OF CRITTENDEN

I, the undersigned authority, in and for said County and State, hereby certify that KEVIN A. BAILEY whose name as GENERAL MANAGER of MERAMEC SPECIALTY COMPANY, a corporation, is signed to the foregoing lease, and who is known to me, acknowledged before me on this day that, being informed of the contents of this lease, executed the same voluntarily on the day the same bears date.

GIVEN under my hand and seal this 20 day of DECEMBER, 2001.

Notary Public

Robert Cassidy

My commission Expires:

12-1-2009

